

Message Text

CONFIDENTIAL

PAGE 01 KINSHA 05468 271116Z

ACTION AF-10

INFO OCT-01 EUR-12 ISO-00 EB-08 SSO-00 /031 W

-----005944 271120Z /13

O 271045Z MAY 78

FM AMEMBASSY KINSHASA

TO SECSTATE WASHDC IMMEDIATE 043

INFO AMEMBASSY PARIS IMMEDIATE

C O N F I D E N T I A L KINSHASA 5468

E.O. 11652: GDS

TAGS: EGEN, EINV, CG

SUBJECT: IBM REMOVAL OF FINANCE MINISTRY COMPUTER

REFS: (A) PARIS 16853; (B) STATE 135208

1. PROBLEM APPEARS TO BE TEMPORARILY RESOLVED. IBM RESIDENT MANAGER JUST TOLD US THAT BASED UPON RECEIPT OF DOLS 300,000, APPROXIMATELY 2 MONTHS ADVANCE RENT, IBM INTENDS TO REINSTALL FINANCE MINISTRY COMPUTER TODAY, MAY 27. HE ADDED THOUGH THAT UNLESS IBM RECEIVES PAST DUE ARREARAGE FROM FINANCE MINISTRY OF APPROXIMATELY DOLS 1 MILLION FOR, WHICH IBM HAS AGREED TO ACCEPT LOCAL CURRENCY EQUIVALENT, IBM WILL REMOVE COMPUTER WITHIN ONE WEEK.

2. FINANCE MINISTRY PREVIOUSLY TRNASFERRED LOCAL CURRENCY TO CENTRAL BANK WHICH HAS RESPONSIBILITY OF MAKING FOREIGN CURRENCY PAYMENTS. CENTRAL BANK SHOULD EITHER RETURN LOCAL CURRENCY OT FINANCE MINISTRY FOR PAYMENT TO IBM OR MAKE LOCAL CURRENCY PAYMENT DIRECTLY TO IBM. AMBASSADOR HAS APPOINTMENT WITH CENTRAL BANK GOVERNOR MAY 29 AND WILL DISCUSS PROBLEM.

3. INFO PARA 3 REFTEL A CONCERNING STATUS OF PAYROLL AND IMPORTANCE FINANCE MINISTRY COMPUTER IN MAKING SUCH PAYROLLS IS NOT CONSISTENT WITH WHAT MR. GEORGE TOLD US DURING HIS RECENT VISIT TO ZAIRE. WE UNDERSTAND THAT FINANCE MINISTRY
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 KINSHA 05468 271116Z

COMPUTOR IS ESSENTIAL FOR PAYMENT OF APPROXIMATELY 400,000- PERSON GOZ PAYROLL. WE SHALL INVESTIGATE FURTHER.

4. OBVIOUSLY MR. GEORGE UNDERSTANDS DELICATE STATUS AFFAIRS IN ZAIRE AS HE HAS ORDERED EVACUATION OF EXPATRIATES DEPEND- ENTS IN BOTH LUBUMBASHI AND KINSHASA. WE WERE RECENTLY TOLD OF HIS DECISION TO ORDER EVACUATION OF DEPENDENTS FROM LUBUM-

BASHI BUT WERE NOT AWARE THAT HE INTENDED TO REMOVE DEPENDENTS FROM KINSHASA. WE TOLD IBM LOCAL REP THAT IBM MUST MAKE ITS OWN DECISION REGARDING SAFETY ITS EMPLOYEES BUT THAT EMBASSY WAS NOT REMOVING U.S. GOVERNMENT DEPENDENTS FROM LUBUMBASHI. FURTHERMORE, WE KNOW OF NO OTHER COMPANY THAT IS EVACUATING ITS DEPENDENTS FROM EITHER LUBUMBASHI OR KINSHASA.

5. AS WE HAD SAID BEFORE, IBM MUST DECIDE WHAT IS IN ITS OWN BEST INTEREST BUT WE QUESTION WHETHER IT IS REALLY IN IBM'S BEST INTEREST TO REMOVE FINANCE MINISTRY COMPUTOR IN VIEW OF DELICATE SITUATION IN ZAIRE. WE ARE SOMEWHAT APPALLED AT MR. GEORGE'S BUSINESS-AS-USUAL ATTITUDE. IF CIVIL UNREST BROKE OUT DUE TO GOZ INABILITY TO MEET PAYROLL CAUSED SOLELY BY FAILURE OF IBM'S REMOVAL OF FINANCE MINISTRY COMPUTOR, AND THIS FACT WERE TO BECOME KNOWN, ADVERSE PUBLICITY FOR IBM'S INTERNATIONAL INTERESTS IS OBVIOUS.

6. DESPITE FACT THAT PROBLEM HAS BEN TEMPORARILY RESOLVED, WE BELIEVE THAT THIS SITUATION IS SO POTENTIALLY SERIOUS THAT SENIOR U.S. IBM OFFICIALS SHOULD BE AWARE OF SITUATION AND ITS IMPLICATIONS.

CUTLER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE, COMPUTERS, DEBT REPAYMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 27 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978KINSHA05468
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780224-1001
Format: TEL
From: KINSHASA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780511/aaaaaizp.tel
Line Count: 84
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 23703895-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 PARIS 16853, 78 STATE 135208
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 28 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2537662
Secure: OPEN
Status: NATIVE
Subject: IBM REMOVAL OF FINANCE MINISTRY COMPUTER
TAGS: EGEN, EINV, CG, IBM
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/23703895-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014